

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-22973	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT	
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY, L.P.				9. WELL NAME and NUMBER: NBU 1022-18B	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078			PHONE NUMBER: (435) 781-7060		
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 818' FNL 2040' FEL AT PROPOSED PRODUCING ZONE:				10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 22.9 MILES SOUTHEAST OF OURAY, UTAH				12. COUNTY: UINTAH	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 818'		16. NUMBER OF ACRES IN LEASE: 585.76		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C		19. PROPOSED DEPTH: 8,900		20. BOND DESCRIPTION: RLB0005238	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5347.6' GL		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION: TO BE DETERMINED	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
	14"			40			
12 1/4"	9 5/8"	H-40	32.3#	1,900	PREM CMT	265 SX	1.18 15.6
7 7/8"	4 1/2"	I-80	11.6#	8,900	PREM LITE II	410 SX	3.38 11
					50/50 POZ G	1390 SX	1.31 14.3

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) DEBRA DOMENICI TITLE ASSOC. ENVIRONMENTAL ANALYST

SIGNATURE *Debra Domenici* DATE 2/8/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37774

(11/2001)

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 2-15-06
By: *[Signature]*

(See Instructions on Reverse Side)

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T10S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

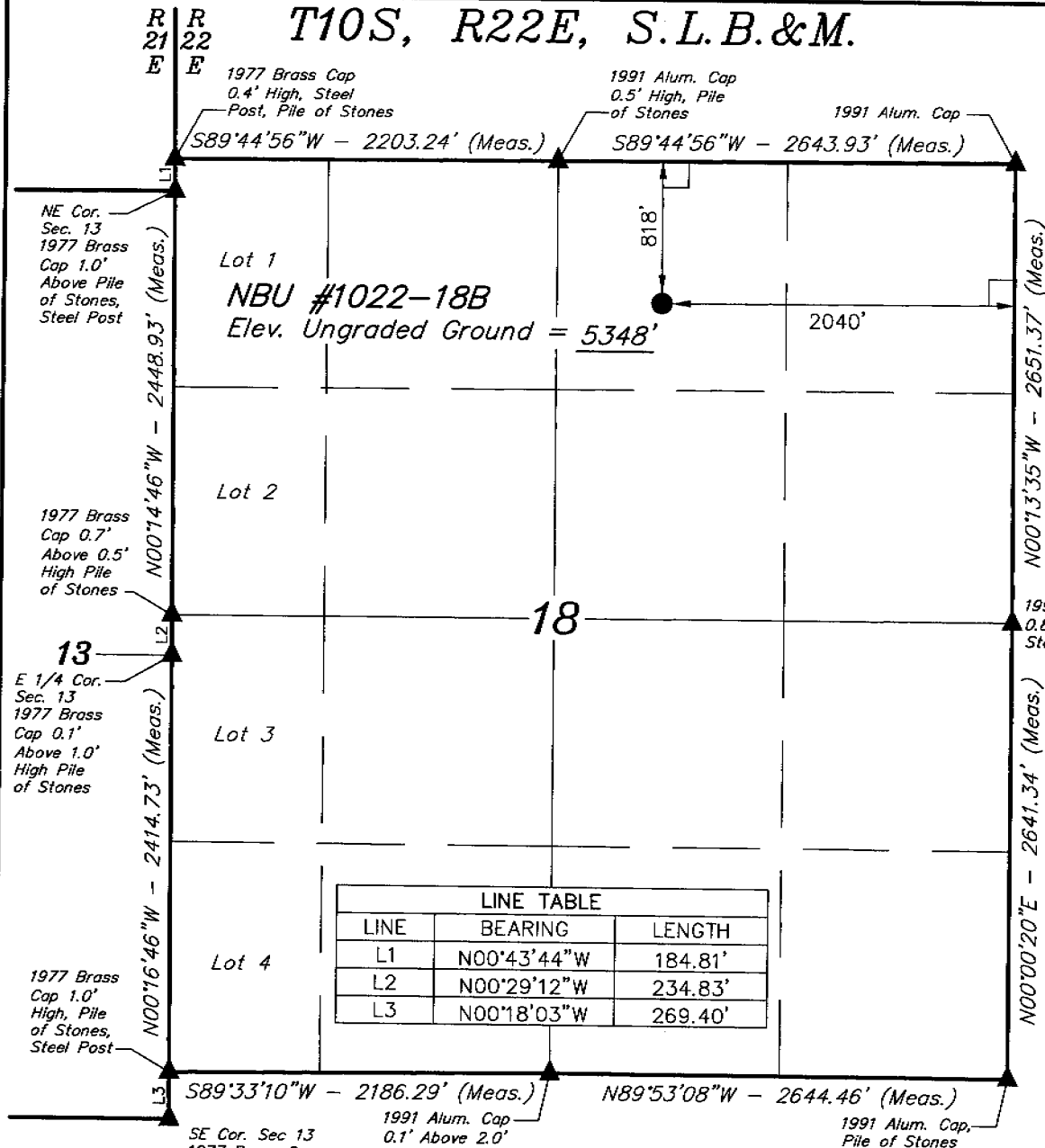
Well location, NBU #1022-18B, located as shown in the NW 1/4 NE 1/4 of Section 18, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°43'44\"W	184.81'
L2	N00°29'12\"W	234.83'
L3	N00°18'03\"W	269.40'

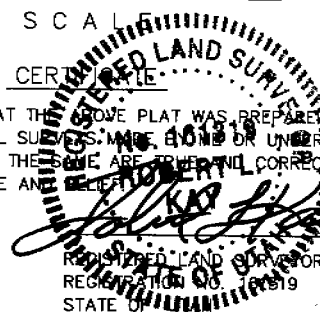
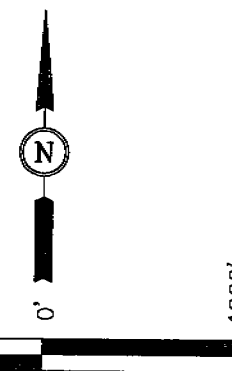
LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 39°57'14.09\" (39.953914)
 LONGITUDE = 109°28'49.28\" (109.480356)
 (NAD 27)
 LATITUDE = 39°57'14.21\" (39.953947)
 LONGITUDE = 109°28'46.82\" (109.479672)



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REVISED: 01-15-06

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-17-05	DATE DRAWN: 11-28-05
PARTY D.K. L.K. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE Kerr-McGee Oil & Gas Onshore LP	

NBU 1022-18B
NWNE SEC 18-T10S-R22E
UINTAH COUNTY, UTAH
ML-22973

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1250'
Wasatch	4425'
Mesaverde	6850'
TD	8900'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1250'
Gas	Wasatch	4425'
Gas	Mesaverde	6850'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8900' TD, approximately equals 5518 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3560 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



Kerr-McGee Oil & Gas Onshore LP

DRILLING PROGRAM

COMPANY NAME Westport Oil and Gas Co., L.P. DATE December 27, 2005
WELL NAME **NBU 1022-18B** TD 8,900' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,348' GL KB 5,363'
SURFACE LOCATION NWNE SECTION 18-T10S-R22E 818'FNL & 2040'FEL BHL Straight Hole
Latitude: 39.953914 Longitude: 109.480356
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: UTDGOM (surface/minerals), BLM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,425'					
	Green River @	1,250'			
	Preset f/ GL @				
	1900 MD				
Mud logging program TBD Open hole logging program f/ TD - surf csg					
	Wasatch @	4,425'			
	Mverde @	6,850'			
	TD @	8,900'			
			7-7/8"	4-1/2", 11.6#, M80, I80 or equivalent LTC csg	Water/Fresh Water Mud 8.3-11.0 ppg
					Max anticipated Mud required 11.0 ppg



Kerr-McGee Oil & Gas Onshore LP
DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1900	32.30	H-40	STC	0.72*****	1.66	4.73
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8900	11.60	M-80 or I-80	LTC	2.48	1.25	2.23

1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft - partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft - partial evac gradient x TD)

(Burst Assumptions: TD = 11.0 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)

MASP 3133 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			NOTE: If well will circulate water to surface, option 2 will be utilized				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,920'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	410	60%	11.00	3.38
	TAIL	4,980'	50/50 Poz/G + 10% salt + 2% gel	1390	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper

& lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

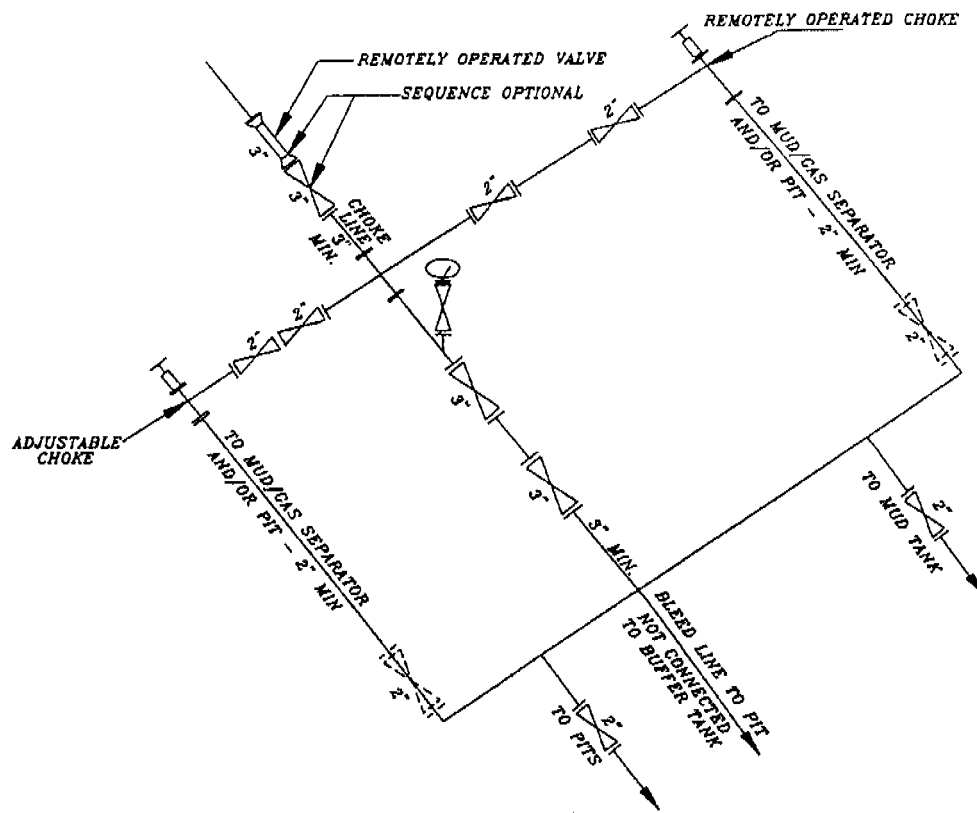
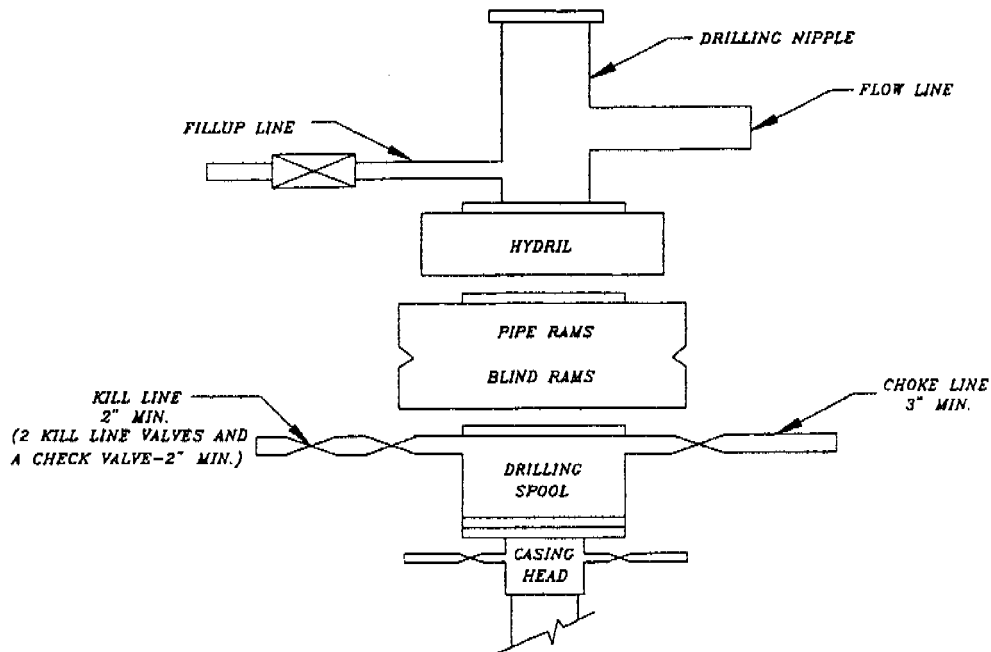
DATE:

DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU 1022-18B
NWNE SEC 18-T10S-R22E
Uintah County, UT
ML-22973**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 0.2 miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 1096' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. Ancillary Facilities

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. **Lessee's or Operators's Representative & Certification:**

Debra Domenici
Associate Environmental Analyst
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7060

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

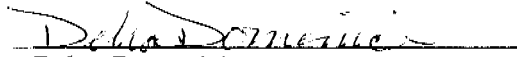
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Debra Domenici

2/8/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-18B
SECTION 18, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1022-18H TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 70' TO THE PROPOSED #1022-18H AND THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED #1022-18G AND THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.9 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-18B

LOCATED IN UINTAH COUNTY, UTAH
SECTION 18, T10S, R22E, S.L.B.&M.

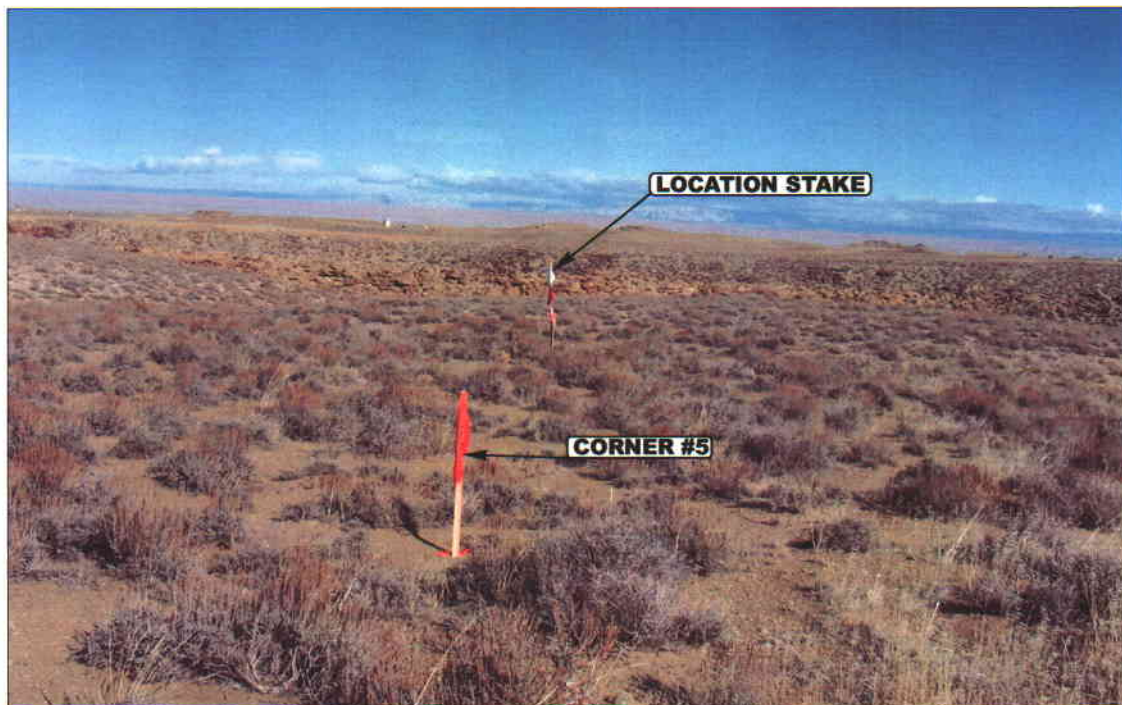


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

11 22 05
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 01-15-06

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-18B

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 18, T10S, R22E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

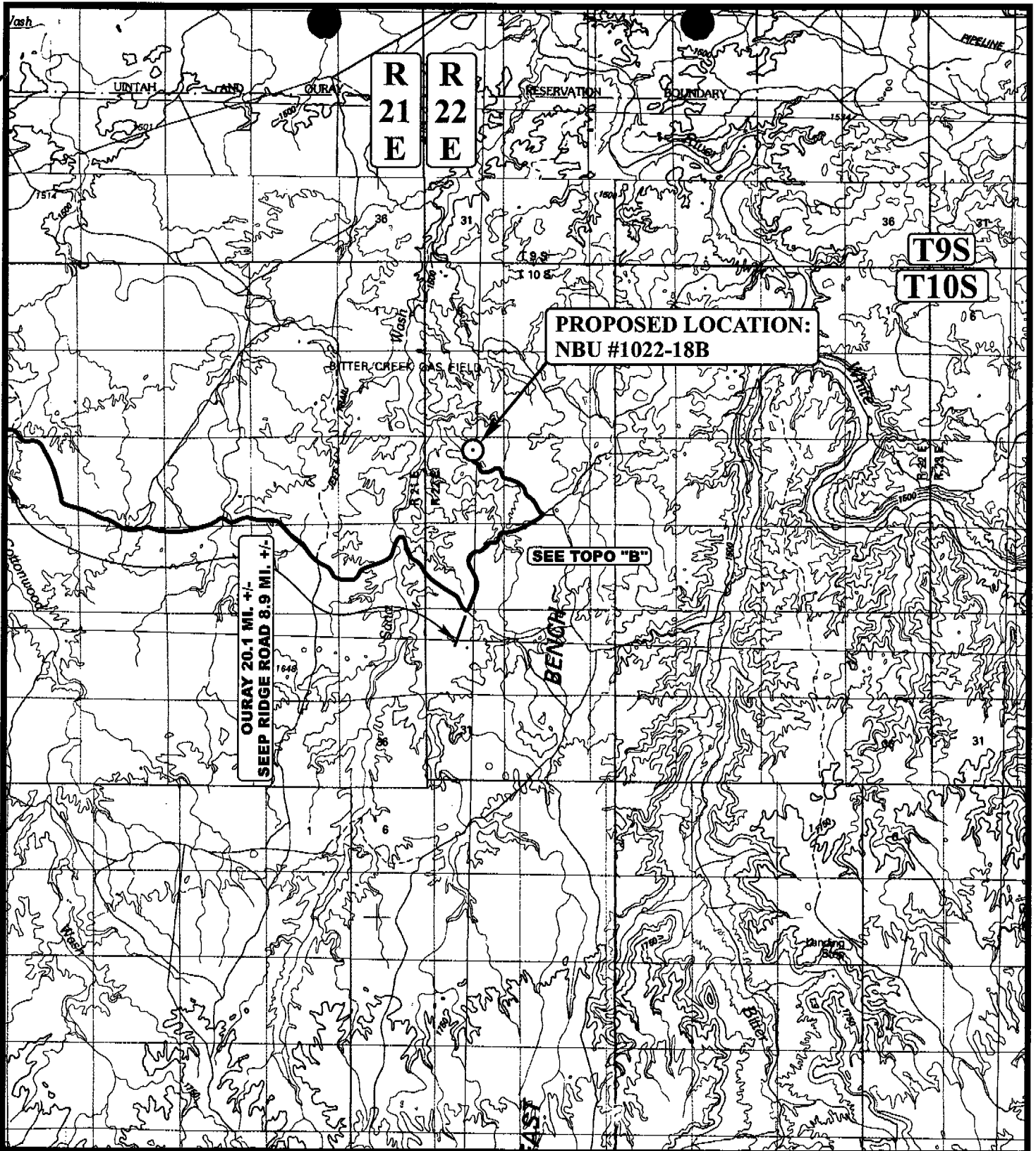
11 **22** **05**
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 01-15-06



LEGEND:

⊙ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-18B

SECTION 18, T10S, R22E, S.L.B.&M.

818' FNL 2040' FEL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

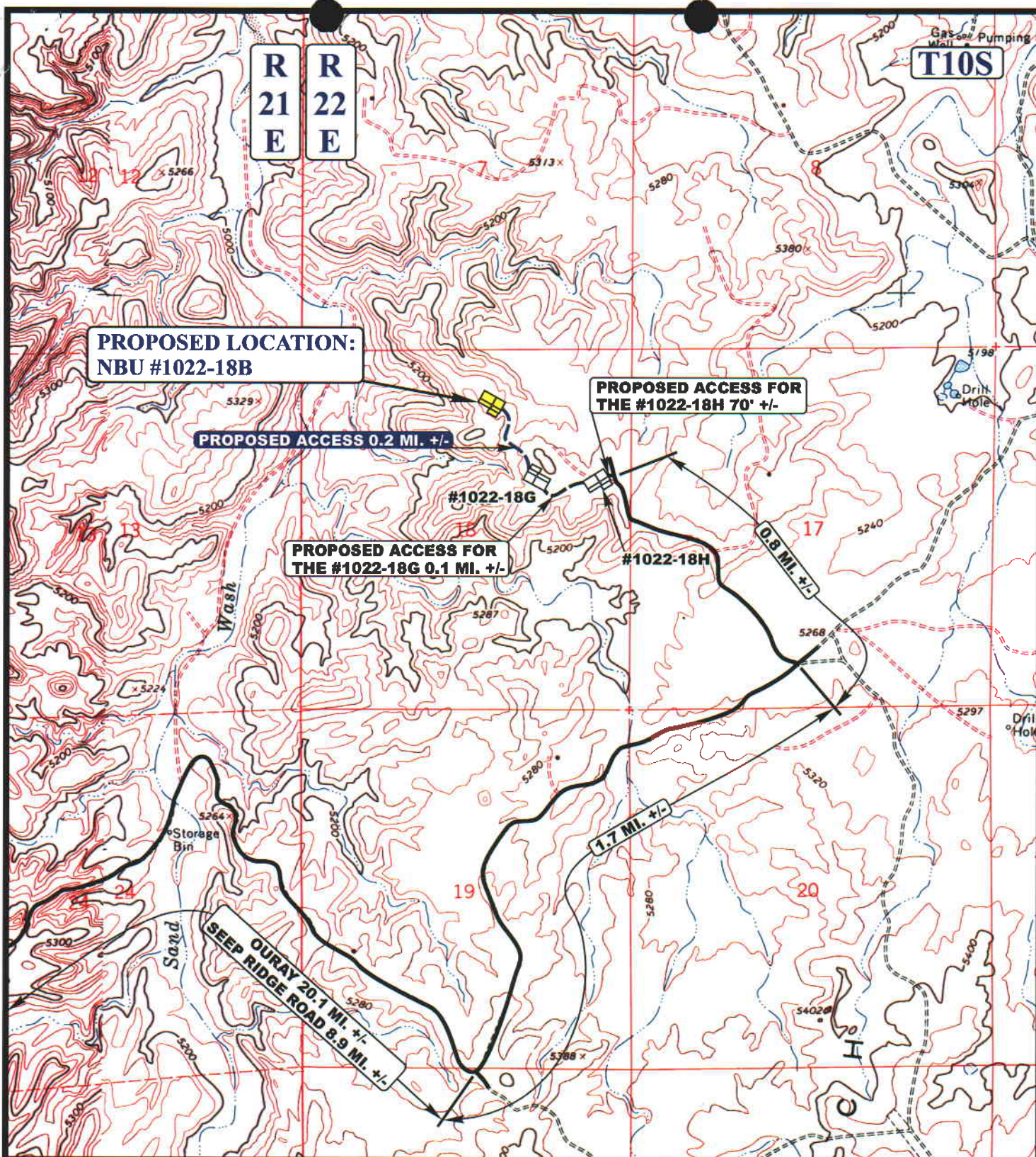
11 22 05
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 01-15-06





LEGEND:

— EXISTING ROAD
- - - PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-18B

SECTION 18, T10S, R22E, S.L.B.&M.

818' FNL 2040' FEL



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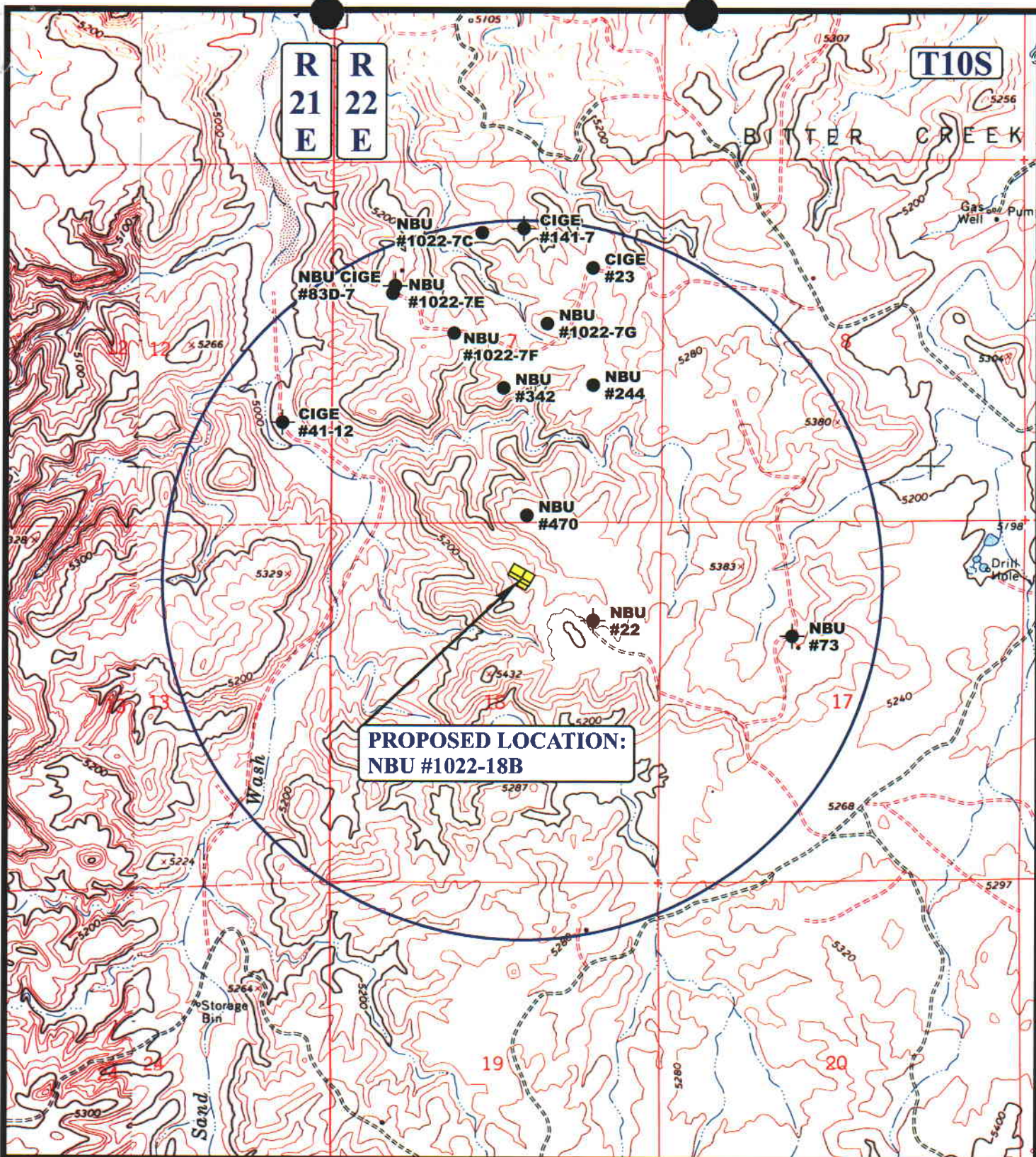


**TOPOGRAPHIC
MAP**

11 22 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 01-15-06

**B
TOPO**



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-18B

SECTION 18, T10S, R22E, S.L.B.&M.

818' FNL 2040' FEL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



**TOPOGRAPHIC
MAP**

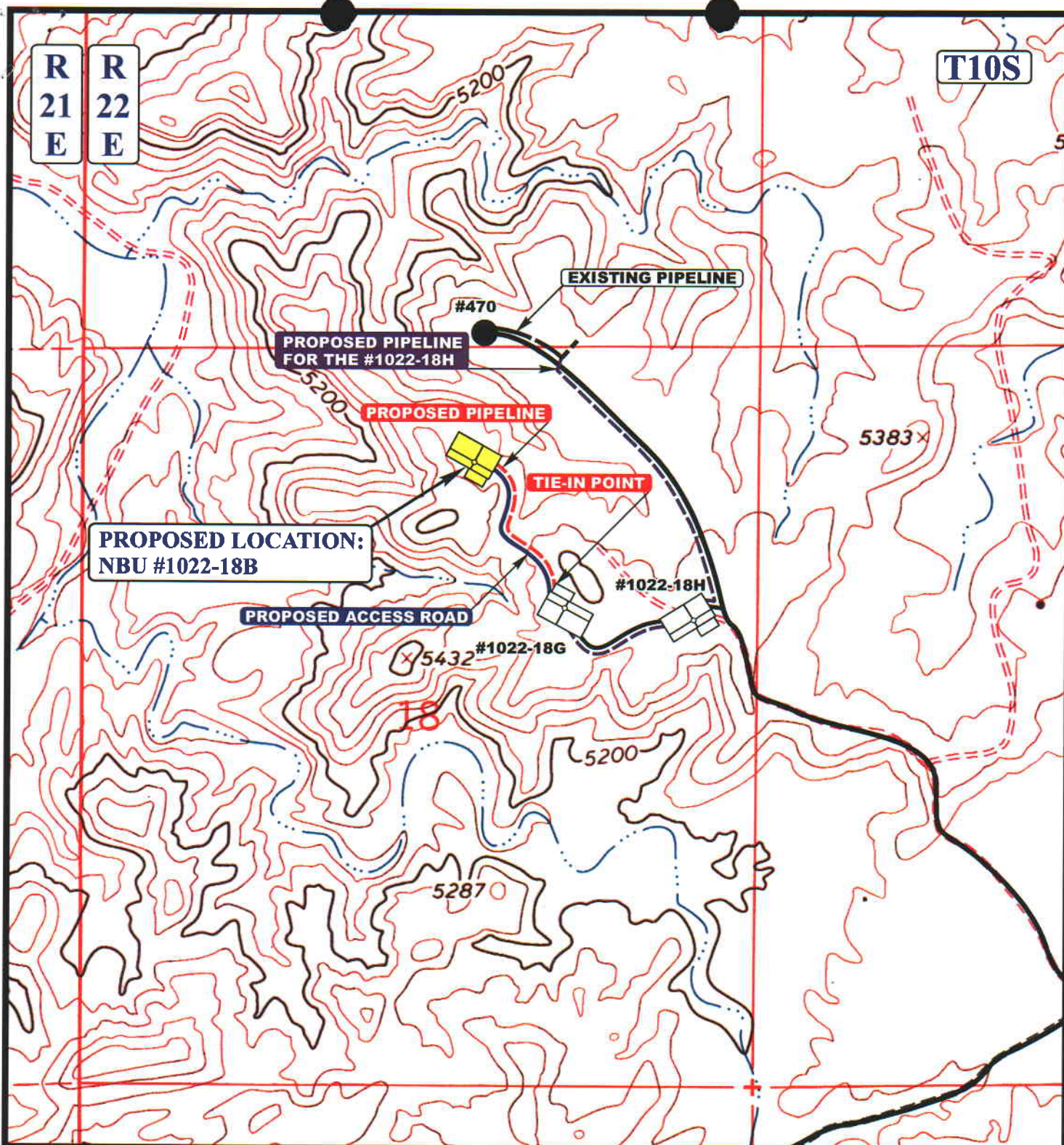
11 22 05
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 01-15-06





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,096' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-18B

SECTION 18, T10S, R22E, S.L.B.&M.

818' FNL 2040' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

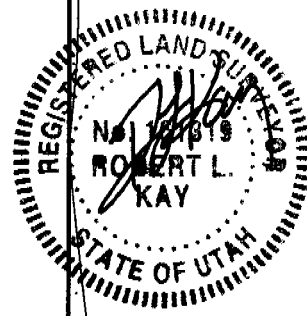
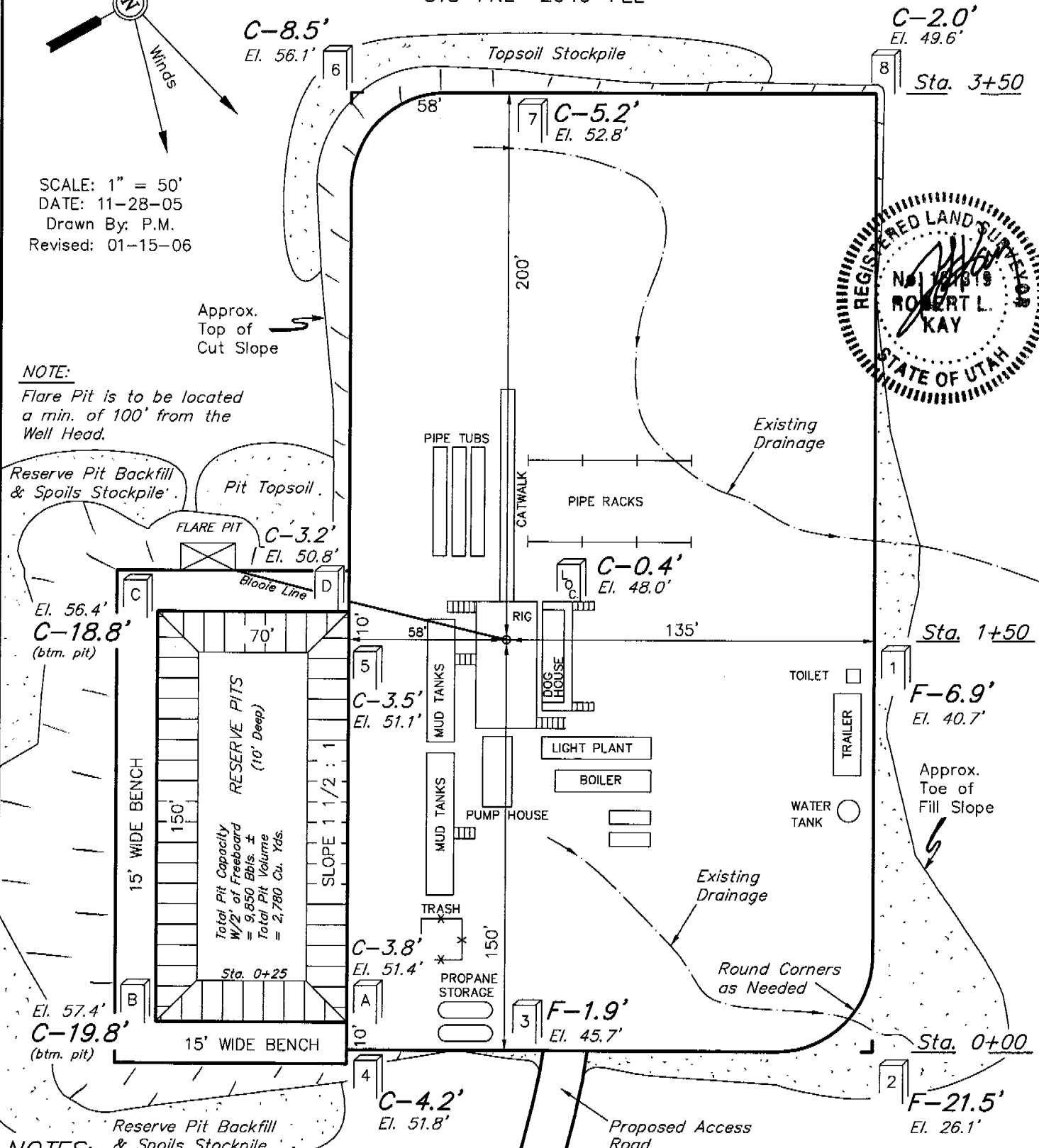
11 22 05
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 01-15-06

D
TOPO

LOCATION LAYOUT FOR

NBU #1022-18B
SECTION 18, T10S, R22E, S.L.B.&M.
818' FNL 2040' FEL



SCALE: 1" = 50'
DATE: 11-28-05
Drawn By: P.M.
Revised: 01-15-06

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.

Reserve Pit Backfill
& Spoils Stockpile

Pit Topsoil

FLARE PIT

C-3.2'
El. 50.8'

El. 56.4'

C-18.8'
(btm. pit)

70'

RESERVE PITS
(10' Deep)

Total Pit Capacity
W/2' of Freeboard
= 9,850 Bbls. ±
Total Pit Volume
= 2,780 Cu. Yds.

15' WIDE BENCH

150'

SLOPE 1 1/2 : 1

Sta. 0+25

El. 57.4'

C-19.8'
(btm. pit)

15' WIDE BENCH

NOTES:

Reserve Pit Backfill
& Spoils Stockpile

Elev. Ungraded Ground At Loc. Stake = 5348.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5347.6'

TYPICAL CROSS SECTIONS FOR

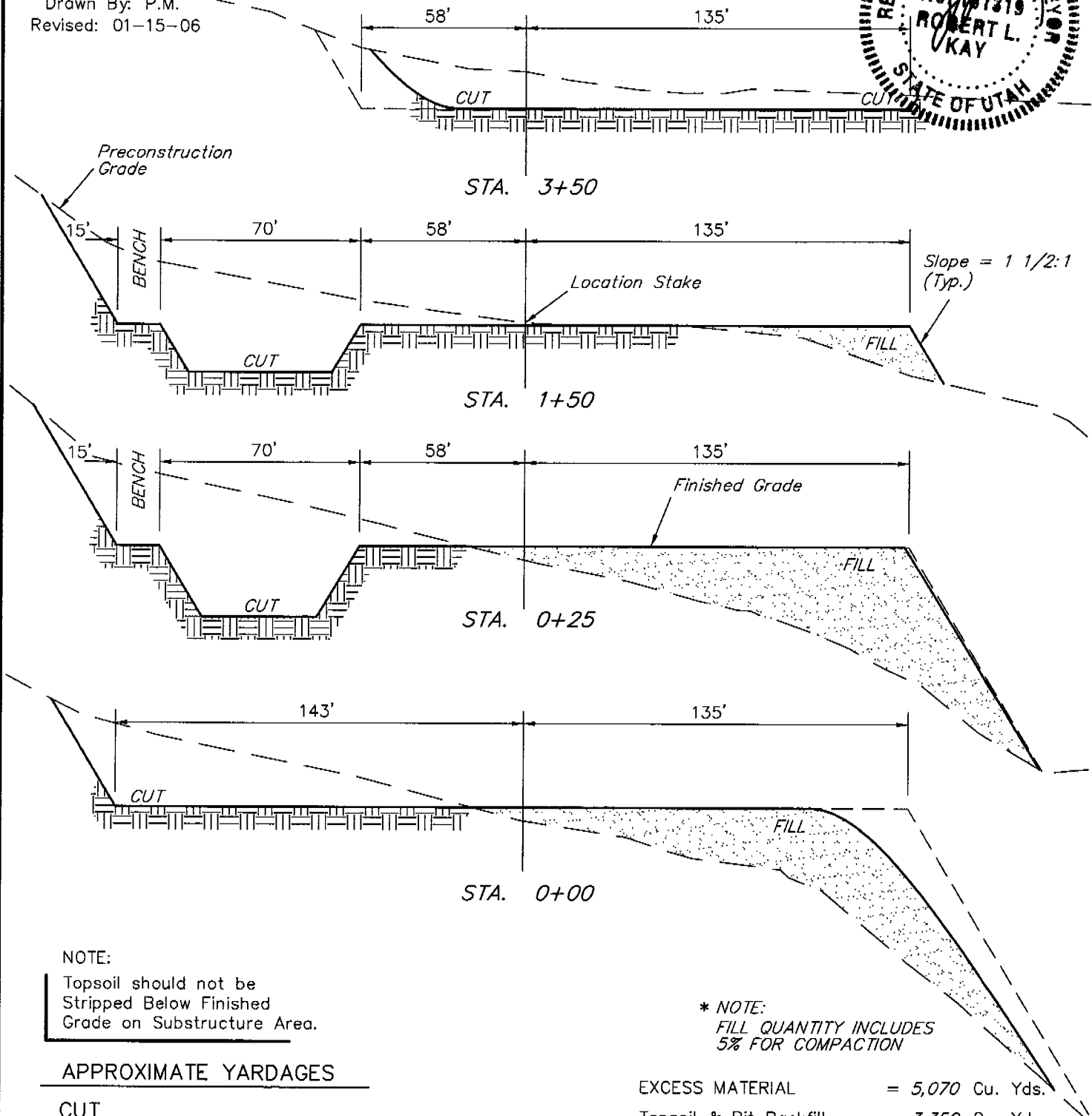
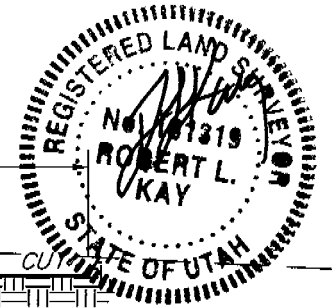
NBU #1022-18B

SECTION 18, T10S, R22E, S.L.B.&M.

818' FNL 2040' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 11-28-05
Drawn By: P.M.
Revised: 01-15-06



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,960 Cu. Yds.
Remaining Location = 10,440 Cu. Yds.

TOTAL CUT = 12,400 CU.YDS.
FILL = 7,330 CU.YDS.

EXCESS MATERIAL = 5,070 Cu. Yds.
Topsoil & Pit Backfill = 3,350 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 1,720 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
86 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/14/2006

API NO. ASSIGNED: 43-047-37774

WELL NAME: NBU 1022-18B

OPERATOR: WESTPORT OIL & GAS CO (N2115)

CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

NWNE 18 100S 220E

SURFACE: 0818 FNL 2040 FEL

BOTTOM: 0818 FNL 2040 FEL

COUNTY: UINTAH

LATITUDE: 39.95390 LONGITUDE: -109.4796

UTM SURF EASTINGS: 629874 NORTHINGS: 4423537

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	3/14/06
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-22973

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0005236)
- N Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
(No. 43-8496)
- N RDCC Review (Y/N)
(Date: _____)
- N/A Fee Surf Agreement (Y/N)
- N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- ☒ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 440' fr ubarg & uncomm. tract
- R649-3-11. Directional Drill

COMMENTS:

Needs Permit (02-24-06)

STIPULATIONS:

- 1- OIL SHALE
- 2- STATEMENT OF BASIS
- 3- Surface Csg Cont Stip

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: Westport Oil & Gas Company, L.P.
WELL NAME & NUMBER: NBU 1022-18B
API NUMBER: 43-047-37769
LOCATION: 1/4, 1/4 NW/NE Sec: 18 TWP: 10S RNG: 22E; 818' FNL 2040' FEL

Geology/Ground Water:

Westport proposes to set 1,900' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5,400'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 18. This well is over a mile from the proposed site. The well is owned by the BLM and is used for stock watering. Depth for the well is listed as 1,850 feet.. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The production casing cement should be brought above the base of the moderately saline groundwater to isolate it from fresher waters uphole.

Reviewer: Brad Hill **Date:** 03/06/06

Surface:

The pre-drill investigation of the surface was performed on February 24, 2006. The site is State surface and State Mineral. Two small drainages, which begin within the location, will be filled. The proposed location poses no obvious problems for drilling and appears to be the best location for drilling a well in the immediate area..

Ed Bonner and Jim Davis of SITLA and Ben Williams of UDWR were invited to attend the presite on Feb.14, 2006. Mr. Davis and Mr. Williams attended.

Mr. Williams of the UDWR stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. No other wildlife are expected to be affected. He gave Mr. Davis and Mr. Estes copies of his write-up and a DWR recommended seed mix to use on the reserve pit and when closing the location.

This predrill investigation was conducted on a cool sunny day.

Reviewer: Floyd Bartlett **Date:** 02/27/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils with a felt sub-liner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Westport Oil & Gas Company, L.P.
WELL NAME & NUMBER: NBU 1022-18B
API NUMBER: 43-047-37769
LEASE: ML-22973 **FIELD/UNIT:** Natural Buttes
LOCATION: 1/4, 1/4 NW/NE Sec: 18 **TWP:** 10S **RNG:** 22E ; 818' FNL 2040' FEL
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.
GPS COORD (UTM): 4423537 Y 0629874 X **SURFACE OWNER:** State of Utah (SITLA)

PARTICIPANTS

Floyd Bartlett (DOGM), Carol Estes (Westport), Clay Einerson (Westport), David Kay and Luke Kay (Uintah Engineering & Land Survey), Jim Davis (SITLA), Ben Williams (Utah Division of Wildlife Resources).

REGIONAL/SETTING TOPOGRAPHY

General area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 22 miles southeast of Ouray, Utah. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 4 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

This site is in the head of a northeast-facing bowl, which drains northerly into a sub drainage of Sand Wash. Topography is gentle. The location will intercept the heads of two small drainages. They will be cut off at the head and will not require diverting around the pad. Approximately 0.2 miles of new road will be constructed from the road planned for NBU 1022-18G to the location.

SURFACE USE PLAN

CURRENT SURFACE USE: Sheep grazing, limited hunting and recreation.

PROPOSED SURFACE DISTURBANCE: Location of 350' x 193' and a reserve pit of 100' x 150' x 10 feet deep and an additional 15' wide bench. Approximately 0.1 miles of new road will be required. All material for the location and road will be obtained onsite.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See attached map from GIS data base.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline will follow access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be obtained from the site.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Unlikely, as the general use in the area is oil-field related with numerous other wells in the surrounding area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: A moderate cover of desert type vegetation consisting of black sagebrush, cheat grass, spiny hopsage, curly mesquite grass, prickly pear and chenopod occupy the site. Antelope, rabbits, small reptiles, birds and mammals. Sheep graze the area in the winter.

SOIL TYPE AND CHARACTERISTICS: Deep sandy loam with little surface rock..

EROSION/SEDIMENTATION/STABILITY: Little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems. Two small drainages begin within the location and will be filled by construction of the pad.

PALEONTOLOGICAL POTENTIAL: Survey completed by IPC on 9/27/05 and furnished for the file.

RESERVE PIT

CHARACTERISTICS: 100' by 150' and 10' deep. The reserve pit is all within cut on the south east side of the location. A 15' wide bench is planned around the outer edges and 2' of freeboard.

LINER REQUIREMENTS (Site Ranking Form attached): Level 1 sensitivity. A 16 mil liner with a felt pad will be required for the reserve pit.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA requirements.

SURFACE AGREEMENT:

As per SITLA requirements.

CULTURAL RESOURCES/ARCHAEOLOGY: Site was surveyed by MOAC on 9/21/05. A copy has been furnished to SITLA.

OTHER OBSERVATIONS/COMMENTS

Ben Williams of the UDWR stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. No other wildlife is expected to be affected.

This predrill investigation was conducted on a cool sunny day.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

02/24/06; 12:20 PM
DATE/TIME

**Situation Ranking Criteria and Ranking
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>10</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level I = 15-19; lining is discretionary.

Sensitivity Level II = below 15; no specific lining is required.





03-06 Westport NBU 1022 3B
Casing Schematic

Uinta

Surface

TOC @
0.

TOC @
0.

1250 Green River

1422 TOC Tail

✓ w/ 8% Washout
A Surface step

Surface
1900. MD

9-5/8"
MW 8.4
Frac 19.3

BHP

$$(0.52)(11)(8900) = 5090$$

Anticipate 5518

G₄₀₀

$$(6.12)(8900) = 1068$$

MASP = 4450

BOPE - 5,000 ✓

Surf Csg - 2270

TOC = 1589

Max pressure @ Surf Csg shoe = 3978

✓ Test TO 1500# (as proposed)

✓ Adequate and 3/14/06

3735 TOC Tail

4425 Washout

5400 BMSW

✓ w/ 17% Washout

6850 Mesaverde

4-1/2"
MW 11.

Production
8900. MD

Well name:

03-06 Westport NBU 1022-18BOperator: **Westport Oil & Gas**String type: **Surface**

Project ID:

43-047-37774Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 102 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

BurstMax anticipated surface
pressure: 1,672 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,900 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 1,666 ft

Re subsequent strings:Next setting depth: 8,900 ft
Next mud weight: 11.000 ppg
Next setting BHP: 5,086 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,900 ft
Injection pressure 1,900 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1900	9.625	32.30	H-40	ST&C	1900	1900	8.876	120.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	829	1370	1.652	1900	2270	1.19	54	254	4.72 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: (810) 538-5280
FAX: (801) 359-3940Date: March 7, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 1900 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

03-06 Westport NBU 1022-18BOperator: **Westport Oil & Gas**String type: **Production**

Project ID:

43-047-37774Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 11.000 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 200 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

BurstMax anticipated surface
pressure: 4,018 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 5,086 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,436 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8900	4.5	11.60	M-80	LT&C	8900	8900	3.875	206.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5086	6350	1.249	5086	7780	1.53	86	267	3.10 B

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: (810) 538-5280
FAX: (801) 359-3940Date: March 7, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 8900 ft, a mud weight of 11 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Ed Bonner
To: Whitney, Diana
Date: 2/22/2006 4:16:52 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Newfield Production Company

- Gilsonite State G-32-8-17
- Gilsonite State H-32-8-17
- Gilsonite State M-32-8-17
- Gilsonite State N-32-8-17
- Gilsonite State Q-32-8-17
- Castle Draw State G-2-9-17
- Monument Butte State I-36-8-16
- Monument Butte State L-36-8-16
- Monument Butte State S-36-8-16

Westport Oil & Gas Company

- NBU 1022-16J
- NBU 1022-16L
- NBU 1022-16P
- NBU 1022-18B
- NBU 1022-18D
- NBU 1022-18E
- NBU 1022-18G
- NBU 1022-18H
- NBU 1022-18I
- NBU 1022-18J
- NBU 1022-18N
- NBU 1022-18O
- NBU 1022-18P

If you have any questions regarding this matter please give me a call.

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

March 2, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Natural Buttes Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch-MesaVerde)

43-047-37738	NBU 1022-19F	Sec 19 T10S R22E 2239 FNL 1622 FWL
43-047-37739	NBU 1022-19D	Sec 19 T10S R22E 0732 FNL 0640 FWL
43-047-37740	NBU 1022-19C	Sec 19 T10S R22E 0896 FNL 1891 FWL
43-047-37765	NBU 1022-16J	Sec 16 T10S R22E 2302 FSL 1901 FEL
43-047-37766	NBU 1022-16P	Sec 16 T10S R22E 0724 FSL 0973 FEL
43-047-37767	NBU 1022-16L	Sec 16 T10S R22E 1904 FSL 0343 FWL
43-047-37768	NBU 1022-18H	Sec 18 T10S R22E 1947 FNL 0465 FEL
43-047-37769	NBU 1022-18G	Sec 18 T10S R22E 1870 FNL 1383 FEL
43-047-37770	NBU 1022-18I	Sec 18 T10S R22E 1592 FSL 0803 FEL
43-047-37771	NBU 1022-18E	Sec 18 T10S R22E 1656 FNL 0606 FWL
43-047-37772	NBU 1022-18J	Sec 18 T10S R22E 2158 FSL 2171 FEL
43-047-37773	NBU 1022-18N	Sec 18 T10S R22E 0125 FSL 1249 FWL
43-047-37774	NBU 1022-18B	Sec 18 T10S R22E 0818 FNL 2040 FEL
43-047-37775	NBU 1022-18P	Sec 18 T10S R22E 0169 FSL 0249 FEL
43-047-37776	NBU 1022-18D	Sec 18 T10S R22E 0765 FNL 0311 FWL
43-047-37777	NBU 1022-18O	Sec 18 T10S R22E 0134 FSL 2445 FEL
43-047-37783	NBU 1022-19K	Sec 19 T10S R22E 1509 FSL 1427 FWL
43-047-37778	NBU 1022-19H	Sec 19 T10S R22E 2298 FNL 1086 FEL
43-047-37779	NBU 1022-19B	Sec 19 T10S R22E 0696 FNL 2180 FEL
43-047-37780	NBU 1022-19G	Sec 19 T10S R22E 2069 FNL 2241 FEL
43-047-37781	NBU 1022-19I	Sec 19 T10S R22E 2135 FSL 0460 FEL
43-047-37782	NBU 1022-19O	Sec 19 T10S R22E 0740 FSL 2065 FEL
43-047-37734	NBU 1021-27E	Sec 27 T10S R21E 1862 FNL 0535 FWL
43-047-37728	NBU 1021-28G	Sec 28 T10S R21E 1952 FNL 1971 FEL
43-047-37721	NBU 1021-13C	Sec 13 T10S R21E 0576 FNL 1772 FWL
43-047-37722	NBU 1021-13A	Sec 13 T10S R21E 0651 FNL 1311 FEL

Page 2

43-047-37723	NBU 1021-13G	Sec 13	T10S	R21E	1444	FNL	2651	FEL
43-047-37724	NBU 1021-13K	Sec 13	T10S	R21E	1935	FSL	1486	FWL
43-047-37725	NBU 1021-13I	Sec 13	T10S	R21E	2353	FSL	0668	FEL
43-047-37727	NBU 1021-13O	Sec 13	T10S	R21E	0777	FSL	1573	FEL
43-047-37761	NBU 920-20P	Sec 20	T09S	R20E	0769	FSL	0978	FEL
43-047-37760	NBU 920-20O	Sec 20	T09S	R20E	0842	FSL	1913	FEL
43-047-37759	NBU 920-20N	Sec 20	T09S	R20E	0803	FSL	1885	FWL
43-047-37758	NBU 920-20M	Sec 20	T09S	R20E	0630	FSL	0838	FWL
43-047-37757	NBU 920-20L	Sec 20	T09S	R20E	2104	FSL	0827	FWL
43-047-37756	NBU 920-20J	Sec 20	T09S	R20E	1466	FSL	1653	FEL
43-047-37755	NBU 920-20I	Sec 20	T09S	R20E	1955	FSL	0717	FEL
43-047-37732	NBU 920-22E	Sec 22	T09S	R20E	2009	FNL	0756	FWL
43-047-37764	NBU 920-24M	Sec 24	T09S	R20E	0614	FSL	0851	FWL
43-047-37753	NBU 920-14M	Sec 14	T09S	R20E	0536	FSL	0612	FWL
43-047-37754	NBU 920-14N	Sec 14	T09S	R20E	0732	FSL	1805	FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 15, 2006

Westport Oil & Gas Company, LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1022-18B Well, 818' FNL, 2040' FEL, NW NE, Sec. 18,
T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37774.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal District Office

Operator: Westport Oil & Gas Company, LP
Well Name & Number Natural Buttes Unit 1022-18B
API Number: 43-047-37774
Lease: ML-22973

Location: NW NE Sec. 18 T. 10 South R. 22 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2

43-047-37774

March 15, 2006

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. Surface casing shall be cemented to the surface.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING	
1. DJJ	
2. CDW	

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:		1/6/2006
FROM: (Old Operator): N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024		TO: (New Operator): N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024

CA No.		Unit:		NATURAL BUTTES UNIT			
WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
7. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
8. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE LP

Well Name: NBU 1022-18B

Api No: 43-047-37774 Lease Type: FEDERAL

Section 18 Township 10S Range 22E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 09/11/06

Time 1:00 PM

How DRY

Drilling will Commence: _____

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 09/13/06 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORMOperator: KERR MCGEE OIL & GAS ONSHORE LPOperator Account Number: N 2995Address: 1368 SOUTH 1200 EASTcity VERNALstate UTzip 84078Phone Number: (435) 781-7024**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737774	NBU 1022-18B		NWNE	18	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	9/11/2006			<u>9/14/06</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>W57MVD</u> SPUD WELL LOCATION ON 09/11/2006 AT 1300 HRS							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304735955	GLEN BENCH 822-22E		SWNW	22	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>A</u>	99999	<u>15628</u>	9/11/2006			<u>9/14/06</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>W57MVD</u> SPUD WELL LOCATION N 09/11/2006 AT 1200 HRS							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737467	GLEN BENCH 822-22C		NENW	22	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>A</u>	99999	<u>15629</u>	9/11/2006			<u>9/14/06</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>W57MVD</u> SPUD WELL LOCATION ON 09/11/2006 AT 1130 HRS							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Release Print)

Signature

REGULATORY ANALYST

9/11/2006

Title

Date

To: <u>EARLENE Russell</u>	From: <u>Sheila Upchego</u>
Co./Dept: <u>UTDOGm</u>	Co: <u>KMG</u>
Phone #: <u>(801) 538-5336</u>	Phone #: <u>(435) 781-7024</u>
Fax #: <u>(801) 369-3940</u>	Fax #: <u>(435) 781-7094</u>

(5/2000)

RECEIVED

SEP 11 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22973

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 1022-18B

9. API NUMBER:
4304737774

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
KERR McGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 818'FNL, 2040'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 09/11/2006 AT 1300 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 9/11/2006

(This space for State use only)

RECEIVED

SEP 15 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

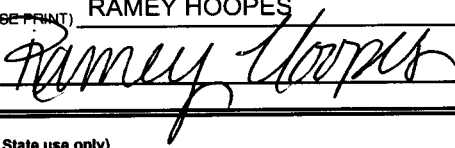
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22973
2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 818' FNL 2040' FEL		8. WELL NAME and NUMBER: NBU 1022-18B
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 22E		9. API NUMBER: 4304737774
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 9/29/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURF CSG
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU BILL MARTIN AIR RIG ON 9/11/06. DRILLED 12 1/4" SURFACE HOLE TO 2220'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. TRIP DP OUT OF HOLE LEAD CMT W/200 SX PREM CLSS G @ 15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/100 SX CLASS G @ 15.8 PPG 1.15 YIELD. DOWN BACKSIDE NO CMT TO SURFACE. WOC. 2ND TOP OUT W/150 SX CLASS G @ 15.8 PPG 1.15 YIELD. DOWN BACKSIDE NO CMT TO SURFACE WOC. 3RD TOP OUT W/225 SX CLASS G @ 15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE AND STAYED AT SURFACE. WORT.

NAME (PLEASE PRINT) RAMEY HOOPES	TITLE REGULATORY CLERK
SIGNATURE 	DATE 10/3/2006

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22973
2. NAME OF OPERATOR: KERR McGEHE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1022-18B
4. LOCATION OF WELL FOOTAGES AT SURFACE: 818'FNL, 2040'FEL		9. API NUMBER: 4304737774
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 22E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2220' TO 9280' ON 11/10/2006. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/430 SX PREM LITE II @11.6 PPG 2.73 YIELD. TAILED CMT W/1360 SX 50/50 POZ @14.3 PPG 1.31 YIELD. SET 4 1/2" CSG SLIPS W/95K NIPPLE DOWN CUT OFF CSG WAS AND CLEAN PITS.

RELEASED PIONEER RIG 38 ON 11/11/06 AT 1730 HRS

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE

DATE 11/13/2006

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22973
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1022-18B
4. LOCATION OF WELL FOOTAGES AT SURFACE: 818'FNL, 2040'FEL		9. API NUMBER: 4304737774
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 22E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

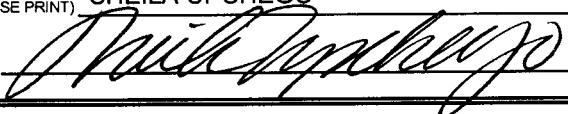
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: PRODUCTION START-UP
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODCUTION ON 12/03/2006 AT 9:50 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 12/4/2006

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DEC 11 2006

DIV. OF OIL, GAS & MINING

Anadarko Petroleum Corporation
1368 S. 1200 East
Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1022-18B

NWNE, SEC. 18, T10S, R22E
UINTAH COUNTY, UT

	SPUD	Surface Casing Air Rig	Activity	Status
08/24/06			Building Location, 10% Complete	Pioneer 38
08/25/06			Building Location, 20% Complete	Pioneer 38
08/28/06			Building Location, 40% Complete	Pioneer 38
08/29/06			Building Location, 50% Complete	Pioneer 38
08/30/06			Building Location, 55% Complete	Pioneer 38
08/31/06			Building Location, 55% Complete DRLG	Pioneer 38
09/01/06			Building Location, 55% Complete DRLG	Pioneer 38
09/05/06			Building Location, 60% Complete	Pioneer 38
09/06/06			Building Location, 70% Complete	Pioneer 38
09/07/06			Building Location, 70% Complete	Pioneer 38
09/08/06			Building Location, 90% Complete	Pioneer 38
09/11/06			LOCATION COMPLETE 100 P/L IN WOBR	Pioneer 38
09/15/06		9/11/06	SET CONDUCTOR, WOAR	Pioneer 38
10/03/06	9/26/06		AIR RIG SPUD, DRLG	Pioneer 38
10/09/06	9/26/06	2170' @ 9 5/8"	DRILLING	Pioneer 38
10/27/06	TD: 2220' Csg. 9 5/8" @ 2192' MW: 8.4 SD: 10/XX/06 DSS: 0 RDRT and move rig to NBU 1022-18B. 90% moved @ report time.			
10/30/06	TD: 2755' Csg. 9 5/8" @ 2192' MW: 9.1 SD: 10/29/06 DSS: 1 Finish RU. NU and test BOPE. PU BHA and DP. Repair #2 gen motor (11hrs). Drill cmt and FE. Drill and survey f/ 2220'-2755'. POOH to csg to repair #1 charge pump and #2 pump traction motor blower. Rig on repair @ report time.			

10/31/06

TD: 3710' Csg. 9 5/8"@ 2192' MW: 8.6 SD: 10/29/06 DSS: 2
Repaired mud pumps (8.5hrs). Drill and survey f/ 2755'-3710'. DA @ report time.

11/01/06

TD: 5489' Csg. 9 5/8"@ 2192' MW: 9.2 SD: 10/29/06 DSS: 3
Drill and survey f/ 3710'-5489'. DA @ report time.

11/02/06

TD: 6420' Csg. 9 5/8"@ 2192' MW: 9.8 SD: 10/29/06 DSS: 4
Drill f/ 5489'-6420'. DA @ report time.

11/03/06

TD: 7055' Csg. 9 5/8"@ 2192' MW: 10.2 SD: 10/29/06 DSS: 5
Drill f/ 6420'-7055'. TFNB @ report time.

11/06/06

TD: 8200' Csg. 9 5/8"@ 2192' MW: 10.8 SD: 10/29/06 DSS: 8
Finish bit trip. Drill f/ 7055'-8200'. Drilled fractures at 7770'. TFNB. TIH @ report time.

11/07/06

TD: 8555' Csg. 9 5/8"@ 2192' MW: 11.0 SD: 10/29/06 DSS: 9
Finish TIH. Drill from 8200'-8555'. DA @ report time.

11/08/06

TD: 8652' Csg. 9 5/8"@ 2192' MW: 11.1 SD: 10/29/06 DSS: 10
Drill from 8555'-8652. TFNB and MM. TIH and wash 60' to bottom report time.

11/09/06

TD: 9120' Csg. 9 5/8"@ 2192' MW: 11.4 SD: 10/29/06 DSS: 11
Drill from 8652'-9120'. DA @ report time.

11/10/06

TD: 9280' Csg. 9 5/8"@ 2192' MW: 12.1 SD: 10/29/06 DSS: 12
Drill from 9120'-9280' TD. CCH and short trip 10 stds. CCH and POOH laying down drill string @ report time.

11/13/06

TD: 9280' Csg. 9 5/8"@ 2192' MW: 12.1 SD: 10/29/06 DSS: 14
Finish laying down drill string. RU Halliburton and Run Triple Combo. Caliper log failed. Changed out tools and log out. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 1730 hrs 11/11/06. RDRT and move to NBU 1022-18J.

11/27/06

MIRU

Days On Completion: 1

Remarks : 7:00 AM, (DAY #1) HELD JSA PU TBG. MIRU. ND W/H, NU 5000# BOP'S AND EQUIP. PU 3 7/8" MILL W/ SUB. PU AND TALLY 204 JT'S TO 6462'. POOH W/ 204 JT'S. 5:00 PM SWI, SDFN.

11/28/06

LOG AND PERF

Days On Completion: 2

Remarks : 7:00 AM, (DAY #2) HELD JSA RU WIRE LINE. RU CUTTERS. LOG FROM 9162' TO 600. RU QUICK TEST. TEST 4 1/2" CSG AND FRAC VALVES TO 7500#. BLED OFF PRESS. RIH W/ PERF GUNS & PERF THE M.V. @ 9098' - 9092' - 9040' - 9043' - 8988' - 8992'. POOH W/ WIRE LINE. RD CUTTERS. WELL READY TO FRAC @ AM. 3:00 PM, SWI, SDFN.

11/29/06

FRAC AND PERF

Days On Completion: 3

Remarks: 7:00 AM, (DAY #3) HELD JSA ON FRACING AND WIRELINE.

(STG #1) WAIT ON WEATHERFORD 3 HR'S. FIX FROZEN W/H. TEST LINES TO 7500#. W/H =500#. BKR DN PERFS @ 3543# @ 3 BPM. ISIP=2890, F.G.=.76. PUMP 1400 BBL'S SLK WTR & 42700# 30/50 MESH SND W/ 5000# RC SD @ TAIL. ISIP=2850, F.G.=.73. RAMP TO 2#SAND.NPI = -40, MP = 7074, MR = 52, AP = 4006, AR =51.8 BPM.

(STG #2) RIH W/ BKR 8K CBP & PERF GUNS. SET CBP @ 8821'. PERF THE MESAVERDE @ 8786' - 8791' 3 SPF 120* PHASING, 8710' - 8712'; 8684' - 8686'; 8619' - 8622' 4 SPF, 90* PHASING, USING 3 3/8" EXP GUNS, 23 GM, 0.36, 43 TOTAL HOLES.WHP = 2230. BRK DN PERFS @ 3260 # @ 3 BPM. PUMP 50 BBLS @ 6230# @ 50 BPM, ISIP = 2657, F.G.= .74 PUMPED 1555 BBL'S SLICK WTR & 56970# 30/50 MESH SND W/ 5000# RC SND @ TAIL. ISIP = 2677, FG = .73. RAMP TO 2# SND. NPI= 20, MP = 5912,MR = 52, AP = 3890, AR = 51.8 BPM.

(STG #3) RIH W/ BKR 8K CBP & PERF GUNS. SET CBP @ 8560'. PERF THE M.V. @ 8528' - 8532'; 8494' -8496'; 8464' - 8467' - 4 SPF, 90* PHASING 8374' - 8376' - 3 SPF 120* PHASING, 8295' - 8296'- 4 SPF 90* PHASING USING 3 3/8" EXP GUNS, 23 GM, 0.36, (46 HLS) WHP = 2460. BRK DN PERFS @ 2640# @ 3 BPM. PUMP 80 BBLS @ 4433 # 51.7 BPM. ISIP= 2492, FG =.73. PUMPED 1525 BBLS SLK WTR. & 53780 # 30/50 MESH SND W/ 5000# RC SND @ TAIL. ISIP = 2561, FG = .75. RAMP TO 2# SND. NPI = 159, MP = 5912 MR = 52, AP = 3725, AR = 51.8 BPM.

(STG #4) RIH W/ BKR 8 K CBP & PERF GUNS. SET CBP @ 8077'. PERF THE M.V @ 8043' - 8047' 3 SPF 120* PHASING, 7925' - 7930' 4 SPF 90* PHASING, 7892' - 7896' 3 SPF 120* PHASING USING 3 3/8" EXP GUNS, 23 GM, 0.36, (44 HLS) WHP= 0 BRK DN PERFS @ 4317# @ 3 BPM. PUMP 86 BBLS @ 4311 # 51.3 BPM. ISIP= 2433, FG=.74. PUMPD 1867 BBLS SLK WTR & 69,900# 30/50 MESH SND W/ 5000# RC SND @ TAIL. ISIP = 2745, FG=.78, RAMP TO 2# SND. NPI= 312, MP=5728, MR= 54.9, AP=3884, AR=51.6 BPM. 6:30 PM, SWI, SDFN. PREP TO FRAC STG'S 5-6-7-8 IN AM.

11/30/06

FRAC AND PERF

Days On Completion: 4

Remarks : 7:00 AM, (DAY#4) HELD JSA.

(STG#5) RIH W/ BKR 8-K CBP AND PERF GUNS. SET CBP @ 7697'. PERF THE M,V @ 7664' - 7667', 7622' - 7623', 7547' - 7548', 7504' - 7506', 7381' - 7382', 7335' - 7338'. 4 SPF, 90* PHASING USING 3 3/8" EXP GUNS, 23 GM, 0.36, (TOTAL OF 44 HLS).WHP = 0#. BRK DN PERFS @ 2552# @ 3 BPM. PUMPED 76 BBL'S @ 4192# @ 51.3 BPM. ISIP = 1630#. FG = .66. PUMPED 1654 BBL'S SLK WTR AND 62250# OF 30/50 SAND W/ 5000# RC SND @ TAIL. ISIP = 2107#, FG = .72. RAMP TO 2# SAND. NPI = 477, MP = 5391#, MR = 51.7, AP= 3910#, AR = 51.3 BPM.

(STG#6) RIH W/ BKR 8-K CBP AND PERF GUNS. SET CBP @ 7257'. PERF THE M,V @7224' - 7227', 7174' - 7179' 3 SPF 120* PHASING. PERF THE WASATCH @ 7112' - 7117'USING 3 3/8" EXP GUNS. 23 GM, 0.36" (TOTAL OF 44 HLS). WHP = 300#, BRK DN PERFS @ 2940# @ 3 BPM. PUMPED 80 BBL'S @ 3950# @ 51.9 BPM. ISIP = 1414#. FG = .64. PUMPED 3089 BBL'S SLK WTR AND 118,600# OF 30/50 SAND W/ 5000# RC SND @ TAIL. ISIP = 2361#, FG = .76. RAMP TO 2# SAND. NPI = 947, MP = 4137#, MR = 54.3, AP = 3194#, AR = 51.6 BPM.

(STG#7) RIH W/ BKR 8-K CBP AND PERF GUNS. SET CBP @ 6376'. PERF THE WASATCH @ 6350' - 6357', 6070' - 6074' USING 3 3/8" EXP GUNS. 23 GM, 0.36" (TOTAL OF 44 HLS) WHP = 0#, BRK DN PERFS @ 2042# @ 4 BPM. PUMPED 40 BBL'S @ 3203# @ 51.8 BPM. ISIP = 1600#. FG = .69. PUMPED 568 BBL'S SLK WTR AND 17,540# OF 30/50 SAND W/

5000# RC SND @ TAIL. ISIP = 1939#, FG = .75. RAMP TO 2# SND. NPI = 339, MP = 4022#, MR = 52, AP = 2948#, AR = 51.9 BPM.

(STG#8) RIH W/ BKR 8-K CBP AND PERF GUNS. SET CBP @ 5833' PERF THE WASATCH @ 5814' - 5817' 4 SPF 90* PHASING, 5653' - 5657' 3 SPF 120* PHASING, 5525' - 5528', 5514' - 5516' 4 SPF 90* PHASING. USING 3 3/8" EXP GUNS, .23 GM, 0.36" (TOTAL OF 44 HLS)WHP = 0#, BRK DN PERFS @ 1945# @ 4 BPM. PUMPED 70 BBL'S @ 3907# @ 51.8 BPM. ISIP= 1945#. FG = .60. PUMPED 646 BBL'S SLK WTR AND 24,575# OF 30/50 SAND W/ 5000# RC SND @ TAIL. ISIP = 2081#, FG = .80. RAMP TO 2# SND. NPI = 136, MP = 3901#MR = 52.1, AP = 2901, AR = 51.9 BPM.

RIH W/ BKR 8K CBP. SET CBP @ 5300'. POOH W/ WIRE LINE. RD CUTTERS AND WEATHERFORD. ND FRAC VALVES, NU BOP'S AND EQUIP. PU 3 7/8" BIT W/ POBSAND PROFILE NIPPLE. RIH EOT @ 5200' 6:00 PM, SWI SDFN. WE PUMPED 12,313 BBL'S OF FRESH WTR AND 341,888# SAND.

12/01/06

CO CBP

Days On Completion: 5

Remarks : 7:00 AM, (DAY#5) HELD JSA ON TRIPING TBG. EOT @ 5290' ESTABLISH CIRC W/ 2% KCL WTR.

(DRLG CBP #1) @ 5300'. DRILL OUT CBP IN 10 MIN. 200# DIFF, RIH, TAG SD @ 5803'. C/O 30' SDS.

(DRLG CBP #2) @ 5833'. DRILL OUT CBP 10 MIN. 200# DIFF, RIH, TAG SD @ 6371'. C/O 5' SD.

(DRLG CBP #3) @ 6376'. DRILL OUT CBP 8 MIN. 200# DIFF, RIH TAG SD @ 7215'. C/O 35' SD.

(DRLG CBP #4) @ 7250'. DRILL OUT CBP 6 MIN. 300# DIFF, RIH TAG SD @ 7652'.C/O 45' SD.

(DRLG CBP #5) @ 7697'. DRILL OUT CBP 6 MIN. 200# DIFF, RIH TAG SD @ 8047'. C/O 30' SD.

(DRLG CBP #6) @ 8077'. DRILL OUT CBP 8 MIN. 200# DIFF, RIH TAG SD @ 8517'. C/O 45' SD.

(DRLG CBP #7) @ 8562'. DRILL OUT CBP 12 MIN. 200# DIFF, RIH TAG SD @ 8781'.C/O 40' SD.

(DRLG CBP #8) @ 8821'. DRILL OUT CBP 15 MIN. 400# DIFF, RIH TAG SD @ 9108'. C/O 90' SD TO 9198' (100' BELOW BTM PERF @ 9098') CIRC HOLE CLEAN. LD 33 JT'S. LAND TBG @ 8'152.13'. ND BOP'S AND EQUIP. DROP BALL, NU W/H.PUMPED 5 BBL'S PUMP BIT OFF @ 1800#. OPEN WELL TO PIT 450# ON TBG,1450# ON CSG. 6:00 PM, TURN WELL OVER TO FL, TESTERS. SDFW.

WELL WENT ON SALES: 1/03/06 @9:50 A.M., MCF 1000, TBG 1900/1800, CSG 1300/150, 20/64 CK, 40 BBLS WTR

12/02/06

ON FLOWBACK CP 1700#, TP 1700#, 55 BWPH, 20/64" CK, 815 BBLS REC'D, 8998 LLTR

12/03/06

ON FLOWBACK CP 1850#, TP 1800#, 40 BWPH, 20/64" CK, 1070 BBLS REC'D, 7928 LLTR

12/04/06

ON FLOWBACK CP 1750#, TP 1850#, 35 BWPH, 20/64" CK, 900 BBLS REC'D, 7028 LLTR

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22973

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____
b. TYPE OF WORK: NEW WELL ☒ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER _____

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 1022-18B

2. NAME OF OPERATOR:
KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER:
4304737774

3. ADDRESS OF OPERATOR:
1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

10 FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 818'FNL, 2040'FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE,
MERIDIAN:
NWNE 18 10S 22E

12. COUNTY
UINTAH

13. STATE
UTAH

14. DATE SPUDDED:
9/11/2006

15. DATE T.D. REACHED:
11/10/2006

16. DATE COMPLETED:
12/3/2006

ABANDONED ☐ READY TO PRODUCE ☒

17. ELEVATIONS (DF, RKB, RT, GL):
5348'GL

18. TOTAL DEPTH: MD 9,280
TVD

19. PLUG BACK T.D.: MD 9,232
TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD
PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

CBL-CCL-GR

23.

WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)
WAS DST RUN? NO ☒ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		2,220		675			
7 7/8"	4 1/2 I-80	11.6#		9,280		1790			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,152							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WASATCH	5,514	6,357			5,514 6,357	0.35	88	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) WSTCH/MESA	7,112	7,227			7,112 7,227	0.35	44	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C) MESAVERDE	7,335	9,098			7,335 9,098	0.35	222	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5514'-6357'	PMP 1214 BBLS SLICK H2O & 42,115# 30/50 SD
7112'-7227'	PMP 3098 BBLS SLICK H2O & 118,600# 30/50 SD
7335'-9098'	PMP 8001 BBLS SLICK H2O & 181,173# 30/50 SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: _____

30. WELL STATUS:

PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 12/3/2006	TEST DATE: 12/7/2006	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 2,000	WATER – BBL: 600	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 1,392	CSG. PRESS. 2,141	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED: 12/3/2006	TEST DATE: 12/7/2006	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 2,000	WATER – BBL: 600	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 1,392	CSG. PRESS. 2,141	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED: 12/3/2006	TEST DATE: 12/7/2006	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 2,000	WATER – BBL: 600	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 139	CSG. PRESS. 2,141	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,515 7,150	7,150			

34. FORMATION (Log) MARKERS:

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE

DATE 1/8/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
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